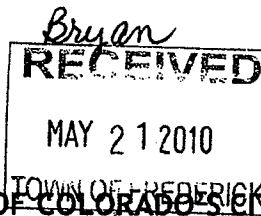





1144 Sherman Street, Denver, CO 80203 • (p) 303-831-6411 / 866-578-0936 • (f) 303-860-8175 • www.cml.org



THE VOICE OF COLORADO'S CITIES AND TOWNS

To: Interested Municipal Officials
From: Sam Mamet (smamet@cml.org) 
Date: May 19, 2010
Subject: Proposition 101, Amendment 60, Amendment 61

You are of course aware by now that these measures will be voted on November 2 as part of the statewide general election ballot. The League is formally in opposition to the three measures. These proposals have considerable negative municipal finance impacts.

The purpose of this packet is to provide you with information on the initiatives; encourage your governing body to pass a resolution in opposition to them; and urge municipal elected officials acting in their individual capacities to speak out against 101, 60, and 61.

We are working very closely with Colorado Counties, Inc., the Colorado Association of School Boards, and the Colorado Special Districts Association. I can't stress enough the importance of your efforts to reach across the local government aisle and engage these other important local officials in local and regional efforts to defeat the measures.

A web site is up and running against the measures, www.donthurtcolorado.com and you can get more information there. Please do use our web site (www.cml.org) and go to the link on ballot initiatives. We are posting to it regularly.

To the extent your municipality has prepared a fiscal impact analysis regarding the measures, we very much want a copy. We have worked with the Colorado Government Finance Officers Association on the enclosed template for your use in this regard.

Be aware of the state's Fair Campaign Practices Act. It spells out what a municipality can and cannot do relative to activity on statewide measures. A copy of Geoff Wilson's excellent treatise is enclosed. Consult with your own legal counsel as well.

A group of municipal bond attorneys and investment bankers with whom we have been meeting have put together a series of excellent 60 and 61 questions to review as you also ponder your understanding of these measures.

We hope to co-host regional summer meetings with the other local government associations to barnstorm the state. In the meantime, should you want me to come and speak to a group of municipal officials about the measures, please do let me know. **Thank you for your efforts.**

ENCLOSURES

1. A memorandum briefly summarizing the measures
2. Copies of each measure's title, summary, and actual text
3. A sample resolution to be modified for your own use
4. An explanation of the Fair Campaign Practices Act
5. A qualitative assessment tool produced by a variety of investment bankers and bond attorneys in consultation with the League, Colorado Counties, Inc., Colorado Association of School Boards, and Colorado Special Districts Association. It is intended to help you better answer at a staff level some of the issues and questions raised especially by Amendment 60 and Amendment 61
6. A quantitative assessment tool prepared by the Colorado Government Finance Officers Association to help you develop a local fiscal impact analysis
7. A one pager prepared by Colorado Counties, Inc. for county officials that may help you locate some information needed to analyze further the measures
8. Talking points to use in opposition to the measures for elected officials to be modified to include impacts in your own city or town

We urge you to consult with your county clerk and recorder for motor vehicle information; the state Department of Revenue for sales tax information if you are in the state's collection system (otherwise your own municipal sales tax auditors if you self-collect); your county assessor for assessed valuation information; other local government finance officials in your area; and please do call CML with any questions.



THE VOICE OF COLORADO'S CITIES AND TOWNS

1144 Sherman Street, Denver, CO 80203 • (p) 303-831-6411 / 866-578-0936 • (f) 303-860-8175 • www.cml.org

To: Interested Municipal Officials
From: Sam Mamet
Date: May 11, 2010
Subject: #101, #60, #61

Introduction

What follows is a brief summary of three significant statewide ballot measures which will be voted on this November. They have dramatic impacts upon municipal and local government finance. Your careful analysis of these measures is strongly encouraged, as well as your communication with county commissioners, special district board members, neighboring city and town leaders, and school board members. Please go to www.cml.org for more information on these initiatives, including the actual ballot language.

Proposition #101 (covers vehicle taxes and fees, the state income tax, and telecommunication taxes; initiated statute)

Websites

- www.cotaxreform.com (for)
- www.donthurtcolorado.com (against)

Key highlights (not comprehensive)

- Specific ownership taxes decrease in 4 equal steps annually to \$2 on new vehicles and \$1 to all other vehicles.
- Various state and local taxes on vehicle rentals and leases are significantly restricted.
- Vehicle registration, license, and title charges combined shall total \$10 annually per vehicle.
- The state income tax is reduced over time to 3.5% under specific circumstances.
- State and local telecommunications charges will end. Fees for 9-1-1 are exempted, but limited to 2009 levels.

Municipal implications

- The proposal represents a virtual elimination of specific ownership taxes, which are collected and distributed back to local governments in lieu of a property tax on vehicles. According to the 2009 state Revenue Department annual report, this totaled \$492.4 million for all local governments.
- The rollback of vehicle charges will result in an estimated near 26% reduction in CDOT's budget and a near 37% reduction in municipal HUTF proceeds, according to a CDOT analysis. The "FASTER" League-supported fee increases from last year are eliminated. These increases are shared with counties and municipalities.

- The restriction on telecommunications taxes is quite broad and will cover utility occupation taxes and sales and use taxes on telecommunication services.
- 9-1-1 fees are locked permanently into their 2009 rates with no flexibility to be increased. This will have significant impacts on delivering emergency services.
- The state income tax reduction it has been estimated by the Bell Policy Center could be over \$1 billion, which means virtually no on-going state financial support for certain grant and loan programs available to cities and towns.
- Major General Assembly changes to this initiated statute are highly unlikely as a political matter.

Amendment #60 (covers property taxes; initiated constitutional amendment)

Websites

- www.limitpropertytax.com (for)
- www.donthurtcolorado.com (against)

Key highlights (not comprehensive)

- Electors may vote on property taxes where they own real property.
- X • Requires local governments to allow petitions to lower property taxes.
- November elections only for property taxes and must be independent of debt questions.
- Property tax bills are limited only to taxes and late charges.
- X • Requires enterprises and authorities to pay property taxes. Local governments have to reduce their mill levies to offset this revenue. These entities may not levy a fee or tax.
- Expires within 10 years all future property tax increases.
- Extending an expiring property tax is a tax increase.
- Prior actions to keep excess property tax revenues expire.
- Future actions to keep excess property tax revenues must expire in 4 years.
- Non-college school districts must phase out half their non-debt paying property taxes (i.e., operations and maintenance taxes) by 2020 and requires the state to backfill the reduced revenue.

Municipal implications

- Elector is not defined and could mean just about anyone or anything: real property owners, corporations, residents out of state or in another country, property owners not registered to vote. This substantially broadens voter participation to entities and individuals having little stake and trump the interests of municipal residents.
- The petition process is broadened to cover counties, special districts, and schools.
- Separating a debt question from the property tax question may make it harder to finance debt.
- What will the impact on school finance be; how will the state absorb this additional backfill responsibility; how will local communities be affected?
- Prior voter-approved questions at the municipal level to keep and spend excess revenues are eliminated and other restrictions imposed. Over 400 such questions have been approved at the municipal level since 1993.

De-municipalizing

- Municipal enterprise and authority operations will be severely hampered and these cover such services as sewer, water, electric, gas, aviation, downtown redevelopment. Rates and fees will increase and tax deductions will be lowered.
- Statehouse flexibility to modify or implement these provisions will be virtually impossible. Anticipate costly litigation similar to TABOR implementation.

Amendment #61 (covers debt limits; initiated constitutional amendment)

Websites

- www.limitcodebt.com (for)
- www.donthurtcolorado.com (against)

Key highlights (not comprehensive)

- ✕• The state may not contract debt by loan in any form.
- ✕• Prohibits local governments to contract debt by loan in any form without voter approval.
- The ballot title for any question must detail how the moneys to be borrowed are to be used.
- Prohibits any subsequent change in the use of the money borrowed.
- Prohibits any voter-approved debt incurred from being repealed until it is fully repaid.
- Imposes specified limits on borrowing pegged to a percentage of assessed valuation after 2010 (10% of assessed value).
- After current borrowing is repaid, tax rates must decline in an amount equal to that debt's planned average annual repayment, even if the debt is not repaid by taxes.

Municipal implications

- Traditional lease purchase and lease-leaseback financings will be considered debt. This could cover traditional property and equipment leases.
- State level authorities which work with municipalities like CHFA on affordable housing projects and the Water/Power Resources Authority for water and wastewater will be curtailed from issuing bonds. Federal funds, like Rural Development loans, may also be affected.
- New voter approvals will be required for: enterprise borrowings; certificates of participation; lower interest rate refinancings; URA borrowings; less than one year cash flow borrowings.
- ✕• The 10% assessed valuation debt limit will severely impact local government and needs to be examined for full impact in each municipality.
- Interest costs will increase as a result of the prepayment without penalty, which is not common in the current municipal marketplace.
- ✕• The 10 year maturity requirement will force cities and towns to downsize substantially infrastructure and hamper the ability to plan for future long-term needs.
- Anticipate that this measure will affect the rating agencies' views of the municipal market in Colorado both in the short and long run.
- Infrastructure financing through debt will be substantially curtailed.
- Statehouse flexibility to modify or implement these provisions will be difficult. Anticipate costly litigation similar to TABOR implementation.

~~101~~

11-13-08

Ballot Title Setting Board

Proposed Initiative 2009-2010 #10¹

The title as designated and fixed by the Board is as follows:

An amendment to the Colorado Revised Statutes concerning limits on government charges, and, in connection therewith, reducing vehicle ownership taxes over four years to nominal amounts; ending taxes on vehicle rentals and leases; phasing in over four years a \$10,000 vehicle sale price tax exemption; setting total yearly registration, license, and title charges at \$10 per vehicle; repealing other specific vehicle charges; lowering the state income tax rate to 4.5% and phasing in a further reduction in the rate to 3.5%; ending state and local taxes and charges, except 911 charges, on telecommunication service customer accounts; and stating that, with certain specified exceptions, any added charges on vehicles and telecommunication service customer accounts shall be tax increases.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall there be an amendment to the Colorado Revised Statutes concerning limits on government charges, and, in connection therewith, reducing vehicle ownership taxes over four years to nominal amounts; ending taxes on vehicle rentals and leases; phasing in over four years a \$10,000 vehicle sale price tax exemption; setting total yearly registration, license, and title charges at \$10 per vehicle; repealing other specific vehicle charges; lowering the state income tax rate to 4.5% and phasing in a further reduction in the rate to 3.5%; ending state and local taxes and charges, except 911 charges, on telecommunication service customer accounts; and stating that, with certain specified exceptions, any added charges on vehicles and telecommunication service customer accounts shall be tax increases?

Hearing May 6, 2009:

Single subject approved; staff draft amended; titles set.

Hearing adjourned 9:46 a.m.

¹ Unofficially captioned "Motor Vehicle, Income, and Telecommunications Taxes and Fees" by legislative staff for tracking purposes. Such caption is not part of the titles set by the Board.

~~101~~ 101

Be it Enacted by the People of the State of Colorado:

Title 39, article 25 of the Colorado Revised Statutes

Reducing government charges

(1) Enforcement. This voter-approved revenue change shall be strictly enforced to reduce government revenue. It is self-executing, severable, and a matter of statewide concern that overrides conflicting statutes and local laws. Prevailing plaintiffs only shall have their legal fees and court costs repaid. The state shall audit yearly compliance with this reform to reduce unfair, complex charges on common basic needs.

(2) Vehicle. Starting January 1, 2011: (a) All annual specific ownership taxes shall decrease in four equal yearly steps to: New vehicles, \$2; and other vehicles, \$1. All state and local taxes shall cease on vehicle rentals and leases, and on \$10,000, reached in four equal yearly steps, of sale prices per vehicle. Sale rebates are not taxable.

(b) All registration, license, and title charges combined shall total \$10 yearly per vehicle. Except those charges, and tax, fine, toll, parking, seizure, inspection, and new plate charges, all state and local government charges on vehicles and vehicle uses shall cease. Except the last six specific charges, added charges shall be tax increases.

(3) Income. The 2011 income tax rate shall be 4.5%. Later rates shall decrease 0.1% yearly, until reaching 3.5%, in each of the first ten years that yearly income tax revenue net growth exceeds 6%.

(4) Telecommunication. Starting January 1, 2011, except 911 fees at 2009 rates, no charge by, or aiding programs of, the state or local governments shall apply to telephone, pager, cable, television, radio, Internet, computer, satellite, or other telecommunication service customer accounts. Added charges shall be tax increases.

Proponents:

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Kersey CO 80644
(970) 353-9551
taxreform@frii.com

Freda Poundstone
5342 E. Caley Ave.
Centennial CO 80121
(303) 396-9200

~~76~~ 60

11-13-09

Ballot Title Setting Board

Proposed Initiative 2009-2010 #12¹

The title as designated and fixed by the Board is as follows:

An amendment to the Colorado constitution concerning government charges on property, and, in connection therewith, allowing petitions in all districts for elections to lower property taxes; specifying requirements for property tax elections; requiring enterprises and authorities to pay property taxes but offsetting the revenues with lower tax rates; prohibiting enterprises and unelected boards from levying fees or taxes on property; setting expiration dates for certain tax rate and revenue increases; requiring school districts to reduce property tax rates and replacing the revenue with state aid; and eliminating property taxes that exceed the dollar amount included in an approved ballot question, that exceed state property tax laws, policies, and limits existing in 1992 that have been violated, changed, or weakened without state voter approval, or that were not approved by voters without certain ballot language.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall there be an amendment to the Colorado constitution concerning government charges on property, and, in connection therewith, allowing petitions in all districts for elections to lower property taxes; specifying requirements for property tax elections; requiring enterprises and authorities to pay property taxes but offsetting the revenues with lower tax rates; prohibiting enterprises and unelected boards from levying fees or taxes on property; setting expiration dates for certain tax rate and revenue increases; requiring school districts to reduce property tax rates and replacing the revenue with state aid; and eliminating property taxes that exceed the dollar amount included in an approved ballot question, that exceed state property tax laws, policies, and limits existing in 1992 that have been violated, changed, or weakened without state voter approval, or that were not approved by voters without certain ballot language?

Hearing May 6, 2009:

Single subject approved; staff draft amended; titles set.

Hearing adjourned 10:27 a.m.

¹ Unofficially captioned "Property Taxes" by legislative staff for tracking purposes. Such caption is not part of the titles set by the Board.

~~60~~

Be it Enacted by the People of the State of Colorado:
Article X, section 20, The Taxpayer's Bill of Rights, is amended to add:

(10) Property taxes.

Starting in 2011:

(a) The state yearly shall audit and enforce, and any person may file suit to enforce, strictest compliance with all property tax requirements of this section. Successful plaintiffs shall always be awarded costs and attorney fees; districts shall receive neither. This voter-approved revenue change supersedes conflicting laws, opinions, and constitutional provisions, and shall always be strictly interpreted to favor taxpayers.

(b) Electors may vote on property taxes where they own real property. Adapting state law, all districts shall allow petitions to lower property taxes as voter-approved revenue changes. Property tax issues shall have November election notices and be separate from debt issues. Property tax bills shall list only property taxes and late charges. Enterprises and authorities shall pay property taxes; lower rates shall offset that revenue. Enterprises and unelected boards shall levy no mandatory fee or tax on property. Future property tax rate increases shall expire within ten years. Extending expiring property taxes is a tax increase. Prior actions to keep excess property tax revenue are expired; future actions are tax increases expiring within four years. Non-college school districts shall phase out equally by 2020 half their 2011 rate not paying debt; state aid shall replace that revenue yearly. Nothing here shall limit payment of bonded debt issued before 2011.

(c) These property tax increase, extension, and abatement rates after 1992 shall expire:

(i) Taxes exceeding state laws, tax policies, or limits violated, changed, or weakened without state voter approval. Those laws, policies, and limits, including debt limits, are restored.

(ii) Taxes exceeding the one annual fixed, final, numerical dollar amount first listed in their tax increase ballot title as stated in (3)(c).

(iii) Those rates without voter approval after 1992 of a ballot title as stated in (3)(c).

Petition proponents are:

Bonnie Solan
399 Juniper Road
Black Hawk Colorado 80422
(303) 582-5458

Louis Schroeder
8901 E. Chenango Ave.
Greenwood Village CO 80111
(303) 770-2128

~~61~~

11-27-09

Ballot Title Setting Board

Proposed Initiative 2009-2010 #21¹

The title as designated and fixed by the Board is as follows:

An amendment to the Colorado constitution concerning limitations on government borrowing, and, in connection therewith, prohibiting future borrowing in any form by state government; requiring voter approval of future borrowing by local governmental entities; limiting the form, term, and amount of total borrowing by each local governmental entity; directing all current borrowing to be paid; and reducing tax rates after certain borrowing is fully repaid.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall there be an amendment to the Colorado constitution concerning limitations on government borrowing, and, in connection therewith, prohibiting future borrowing in any form by state government; requiring voter approval of future borrowing by local governmental entities; limiting the form, term, and amount of total borrowing by each local governmental entity; directing all current borrowing to be paid; and reducing tax rates after certain borrowing is fully repaid?

Hearing May 20, 2009:

Single subject approved; staff draft amended; titles set.

Hearing adjourned 2:52 p.m.

¹ Unofficially captioned "State and Local Debt Limitations" by legislative staff for tracking purposes. Such caption is not part of the titles set by the Board.

~~61~~

Be it Enacted by the People of the State of Colorado:

Section 1.

Article XI, section 3 is repealed and re-enacted to read, as stated in the original constitution: "The state shall not contract any debt by loan in any form."

Sections 4, 5, 6(2), and 6(3) are repealed as obsolete and superseded.

Section 6 (1) is repealed and re-enacted as section 6 to read: "Without voter approval, no political subdivision of the state shall contract any debt by loan in any form. The loan shall not be repealed until such indebtedness is fully paid or discharged. The ballot title shall specify the use of the funds, which shall not be changed."

Section 2.

Article X, section 20 is amended to add:

(4)(c) After 2010, the following limits on borrowing shall exist:

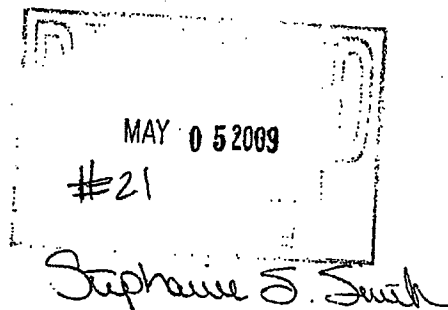
(i) The state and all its enterprises, authorities, and other state political entities shall not borrow, directly or indirectly, money or other items of value for any reason or period of time. This ban covers any loan, whether or not it lasts more than one year; may default; is subject to annual appropriation or discretion; is called a certificate of participation, lease-purchase, lease-back, emergency, contingency, property lien, special fund, dedicated revenue bond, or any other name; or offers any other excuse, exception, or form.

(ii) Local districts, enterprises, authorities, and other political entities may borrow money or other items of value only after November voter approval. Loan coverage in (i) applies to loans in (ii). Future borrowing may be prepaid without penalty and shall be bonded debt repaid within ten years. A non-enterprise shall not borrow if the total principal of its direct and indirect current and proposed borrowing would exceed ten percent of assessed taxable value of real property in its jurisdiction.

(iii) No borrowing may continue past its original term. All current borrowing shall be paid. Except enterprise borrowing, after each borrowing is fully repaid, current tax rates shall decline as voter-approved revenue changes equal to its planned average annual repayment, even if not repaid by taxes. Such declines do not replace others required. Future borrowing is void if it violates this paragraph (c), which shall be strictly enforced. Conflicting laws, rulings, and practices are repealed, overturned, and superseded.

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Sample Resolution Opposing Proposition 101 and Amendments 60 and 61

WHEREAS, state voters will have the opportunity at the November 2 statewide general election to protect the fiscal health of local government by defeating Proposition 101, Amendment 60, and Amendment 61; and

WHEREAS, during this current economic downturn (insert name of municipality) has already cut services and budgets dramatically like (cite several examples here); and

WHEREAS, these measures individually and collectively significantly reduce or otherwise restrict both state and local revenues in a number of different ways including but not limited to: specific ownership taxes, telecommunication taxes, state income taxes, state-shared revenues to assist municipalities with local street and transit improvements, other state grants and loans to help local government, and property taxes; and

WHEREAS, the ability to finance long-term capital improvements like water and wastewater treatment plants, recreational projects, fire stations, and other public facilities are dramatically impaired by the restrictions on debt financing as proposed by Amendment 61; and

WHEREAS, the following services and programs in (insert name of municipality) will be limited or curtailed because of the numerous restrictions and revenue reductions proposed by these three measures (cite some key items here); and

WHEREAS, (insert name of municipality) is concerned about the impact these three measures will have on our ability to work effectively with other local governments in the form of intergovernmental agreements like (cite several examples here); and

WHEREAS, a number of prominent individuals, newspapers, and organizations including our own Colorado Municipal League are voicing opposition to these measures as not being in the best interests of Colorado and of local communities; and

WHEREAS, provisions of state law do allow (insert name of municipality) to put forth this resolution as a statement of opposition to the measures known as Proposition 101, Amendment 60, and Amendment 61;

NOW, THEREFORE, the (city council) (town board) of _____ opposes Proposition 101, Amendment 60, and Amendment 61 and urges our citizens to vote against all three ballot measures.

Campaign reform law: Use of public funds restricted

By Geoff Wilson, CML General Counsel

Ballots in statewide or local elections often include issues of profound importance to Colorado municipalities. As community leaders, municipal officials can and should become actively involved in the public discussion of these issues. However, the state Fair Campaign Practices Act places significant restrictions on the use of public funds for advocacy purposes or for dispensing information in connection with local or statewide ballot issues (Section 1-45-117, C.R.S.).

The FCPA restrictions apply once a statewide petition has been submitted for title setting, once a title has been set on a local initiative or referendum, and upon final action of the governing body placing a referred measure on the ballot. These guidelines are intended to provide municipal officials and employees with general guidance concerning what they may or may not do, consistent with the FCPA. However, the municipal attorney should be consulted before any action is taken that could be viewed as subject to the public-funds restrictions in the FCPA.

Permissible activities

It is permissible to do the following in campaigns in support of or in opposition to a proposed measure:

1. The local governing body may take a position of advocacy on the issue. The governing body may pass a resolution and take a public stand urging the electorate to vote for or against any matter. Staff background research that leads to passage of a resolution is also permissible.

Local governments may report the passage of or distribute such

resolutions "through established, customary means, other than paid advertising, by which information about other proceedings of [the governing body] is regularly provided to the public" (such as via a local government newsletter or cable television broadcast).

2. The act provides that any public official who has policy-making responsibilities may spend up to \$50 of public money on phone calls, letters or other activities "incidental to expressing his or her opinion on any such issue."

This provision is intended to help public officials avoid technical violations of the act when they are otherwise endeavoring to avoid use of public funds in their advocacy activity; it should not be viewed as affirmative authority to spend public funds on advocacy.

3. Elected officials may speak out on the issues presented on the ballot. There is no limitation in the FCPA on the right of public officials to address any matter before the electorate; the limitation is on expenditure of public funds.

4. Public employees and paid elected officials may work on the campaign and speak out on the issues on their own time. Any public employee who becomes involved in the campaign should document that the effort is done on his or her own time.

If the public employee is on a recorded-hour system, make sure the record reflects that the public employee took time off from public duties to engage in campaign activities.

5. If the local government has a policy permitting public groups to use its facilities for community purposes, it may allow groups opposed to or supportive of the ballot proposition to use those facilities if the policy is applied in an evenhanded fashion.

6. Public employees may respond to unsolicited questions or requests for information about a ballot issue; however, the local government should carefully avoid producing information for distribution that is designed to influence the passage or defeat of the issue.

7. The local governing body may use public funds to develop and distribute a factual summary on any issue that will appear on a ballot in the jurisdiction. The summary must include arguments for or against the proposal, but the summary itself may not contain a conclusion or opinion in favor of or against the proposal.

Impermissible activities

It is impermissible under the FCPA, except as indicated above, to do the following in campaigns in support of or in opposition to a proposed measure:

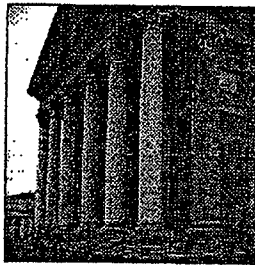
1. use or expend public funds or supplies;

2. allow employees or paid officers to work on a campaign during their working hours or use any public facility or equipment for the purposes of a campaign;

3. provide transportation or advertising using public property or funds to influence, directly or indirectly, the passage or defeat of any issue; or

4. grant an employee or officer leave from his job or office with the local government, with pay, to work on a campaign.

For more information, contact Geoff Wilson at 303-831-6411. ■



PLEASE NOTE: The term "district" is used herein in the TABOR sense and includes all Colorado counties, cities, towns, school districts, title 32 special districts and library districts.

AMENDMENT 60

1. Does the district have any TABOR Enterprises? (TABOR Enterprise means "a government-owned business authorized to issue its own revenue bonds and receiving under 10 percent of its annual revenue in grants from all Colorado state and local governments.") If so, please list each such Enterprise by function, such as airport, water and/or sewer utility, storm drainage, park and recreation, etc., and describe the area served by the Enterprise as compared to the area of the district that owns the Enterprise.
2. For each TABOR Enterprise, please list the counties in which the assets of the Enterprise are located and the county or counties and school district or school districts in which the district is located.
3. If there are values, as "exempt" property, assigned by the county assessor(s) to the assets of your TABOR Enterprises, please indicate those values and the method of valuation, such as book value, insured replacement value, etc. If there have been any other values assigned to the assets of your TABOR Enterprises for purposes of appraisals, etc., please also provide those values and the method for determining them.
4. Does the district have any authorities, such as housing authorities, urban renewal authorities, etc. and, if so, please answer questions 1 through 3 above in connection of each of such authorities.
5. Is your district currently operating under a de-Brucing measure that includes property tax revenues? If so, please describe whether the duration of the de-Brucing is indefinite or for a specific period of time. (Under Amendment 60, property tax de-Brucing extending for a period in excess of four years would need to be re-approved each four years.) Please provide an estimate of the amount of property tax revenues you expect to be allowed to keep *in the current fiscal year (2010 or 2010/11)* as a result of your de-Brucing? (Please refer to the CGFOA model.)

AMENDMENT 61

1. For any outstanding district borrowings of the types listed in paragraphs A through E below, please provide the following information:

- Total principal amount outstanding
- Original repayment term (*i.e.*, the total term of borrowing from the issue date through the final scheduled principal payment date)
- Source of repayment
- Average annual payment over the total term of the borrowing
- Total of remaining payments

These would include borrowings of any type, including loans from any source (*i.e.*, local or other bank, federal or state loan program, municipal bond market or other lending source).

- A. Governmental bonded debt (general obligation bonds, sales or excise tax revenue bonds, special assessment bonds, etc.).
- B. Lease Purchase Agreements (including leases that have been certificated or represented by lease revenue bonds or Certificates of Participation issued by a non-profit corporation, trust, trustee bank or other entity; *and* any other lease or installment purchase agreement with vendors, leasing companies, banks etc.) to acquire property, buildings, equipment, vehicles or other facilities.
- C. Short Term Obligations (any financing transaction that does not extend beyond the fiscal year of issuance, including tax or revenue anticipation notes, cash flow loans from the State under any State program, bank lines of credit or any other cash flow management instrument that involves the credit of the district).
- D. TABOR Enterprise Obligations (obligations issued by a TABOR Enterprise as described in the Amendment 60 portion of this survey.) These obligations, including Enterprise revenue bonds or loans from any source (federal or state loan program, municipal bond market or local bank or other lending source), will be secured by the revenues of the Enterprise (such as water or wastewater utilities) and not by the tax revenues of the district. *These obligations should not be included in paragraphs A through C above.*
- E. Any other Obligations of the district (any other obligations the district uses in managing its finances that are used to acquire facilities or property or involved any borrowed money in any form, regardless of how short the time period, with a brief description of each).

2. If Amendment 61 is approved, all of the district's non-TABOR Enterprise borrowings would be limited to 10% of the taxable *real* property within the district (excluding taxable personal property).
 - A. What is the total principal amount of the district's outstanding non-Enterprise borrowings (this includes the total of all items in paragraphs A, B, C and E, *but not paragraph D*, above)?
 - B. What is the total assessed valuation of the taxable *real* property within the district?
 - C. Dividing the principal amount in (A) by the assessed valuation in (B), what is the district's current debt ratio under Amendment 61? If it is greater than 10%, please note that the district would be prohibited from borrowing immediately upon Amendment 61 taking effect.
3. Please briefly describe the challenges the district would face if it could no longer utilize the financing and/or credit borrowings listed in paragraph 1 above, including, without limitation, the following.
 - A. If Amendment 61 were approved, do you have capital projects that are currently in process that would have to be cancelled or deferred or would require additional financing to complete? If so, please describe the current status of the project.
 - B. How would the loss of long term financing options affect the long term plans of the district?
 - C. What effect would an inability to use any short term cash flow credit instrument have on the operations of the district?

2010 Initiatives

Where can you find the data?

Proposition 101

- 1.) Specific Ownership Tax – Department of Revenue's (DOR) Annual Report.
 - a. Go to DOR's website and search for "annual reports". On 2009 Annual Report, scroll to "Section 8: Motor Vehicle" and click on "vehicle registrations, license fees and specific ownership tax by county"
- 2.) Number of registered vehicles - Department of Revenue's Annual Report.
 - a. Go to DOR's website and search for "annual reports". On 2009 Annual Report, scroll to "Section 8: Motor Vehicle" and click on "Registered Vehicles by Type and County"
- 3.) Motor Vehicle Fees –

Amount of fees collected by county can be found in DOR's annual reports. On 2009 Annual Report, scroll to "Section 8: Motor Vehicle" and click on "vehicle registrations, license fees and specific ownership tax by county". Totals listed includes FASTER fees.

- 4.) New vs. Old vehicles – not available and no one tracks numbers

Amendment 60

- 1.) A list of enterprises does not exist. Enterprises listed in DOLA's compendiums are not necessarily TABOR enterprises. Some maybe and some may not. questionnaire will capture this.

Amendment 61

- 1.) County Total Assessed Valuation of Real Property – Division of Property Taxation's Annual Reports, Section VIII, "Summary of Taxable & Exempt Property Valuation". Note: data is available for total real property and exempt property (which is exempt *real property* and does not include personal property). A 61 is quiet on whether or not exempt property should be included in the 10% calculation of assessed taxable value.
- 2.) Types of Debt – Itemized in the county's financial statement
- 3.) Annual debt payments –Listed in financial statement

**A Few Talking Points For Elected Officials To Use Against Proposition 101,
Amendment 60, Amendment 61 When Asked To Comment On Them**

- These measures individually and collectively will have a dramatic impact on reducing revenue at the state and local government level; services will be directly affected. (please insert local municipal impacts here)
- Proposition 101 significantly reduces revenue which we collect from the specific ownership tax. This is a tax an owner of a vehicle pays like a property tax on your home. It has been a tax established in the Colorado Constitution since 1937. Last year, nearly \$500 million was collected and is distributed back to all local governments to pay for local services. Our reduction in this tax revenue will be (fill in the blank) and result in the following programs or services either substantially reduced or eliminated entirely (fill in the blank here). I don't think these reductions are either fair to this community or to you as a resident.
- Proposition 101 freezes E 9-1-1 fees at their 2009 level. These fees can never be increased to meet on-going demands for public safety and emergency service response calls. We believe this will impact us locally in the following way (fill in the blank here with information from your local emergency response agency).
- The measure also reduces our revenue in several other areas, and here is where we think we are impacted (fill in local examples here).
- We have already instituted belt tightening in our budget. Here is what we have done already as a response to the economic challenges facing our community (cite local examples).
- We have also tried to jump start the local economy like a lot of other cities and towns around the state by boosting our support for local economic development programs and local jobs (cite some local examples).
- I agree with Governor Ritter and many other respected state leaders from both sides of the political aisle who are afraid that these measures will limit both future job growth and our economic development activity by restricting our revenues and ability to plan for the future. I don't want to hurt Colorado and I surely don't want to hurt (name of municipality).
- Amendment 60 places significant limitations on our ability to raise revenue from the property tax. For example, one of the things it does is substantially increase the number of people who can vote on a property tax increase in our community by allowing people who live outside of the town, the state, or even the country to have a vote. Your influence over local decisions will be diminished as a result. I don't think that this is a very good idea.

- (use this talking point if you had a property tax de-brucing measure on the ballot)
Amendment 60 will roll back and eliminate our prior property tax revenue retention vote dealing with (fill in the blank) and this is what it means to us locally (cite example).
- Amendment 61 places severe restrictions on our ability to plan for the future and pay for much needed public improvements by limiting the type of debt financing we might want to undertake. It will also require simple leases, for equipment such as a fire truck or police car, from being used unless a vote is held.
- Colorado is a below average tax burden state when state and local taxes are combined. It has been that way for a number of years. In (name of city or town), we have been prudent guardians and good fiscal stewards of the budget and of taxes and fees generally. We want to assure you that as a community we always want to move ahead. I am very afraid that these proposals will move us far behind and that their revenue reductions and restrictions on our municipal operations will not be in (name of city or town) best interests and our future.
- I do hope that you vote no on 60, 61, and 101 in November. It's why we passed a resolution in opposition to them. I'll be glad to give you a copy if you want one. Don't hurt Colorado and don't hurt (insert name of municipality). I hope you will encourage others to be against these measures.